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CableVision

ATION AND ANALYSIS FOR CABLE TELEVISION MANAGEMENT

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COURT RULES EXCLUSIVE FRANCHISING ILLEGAL

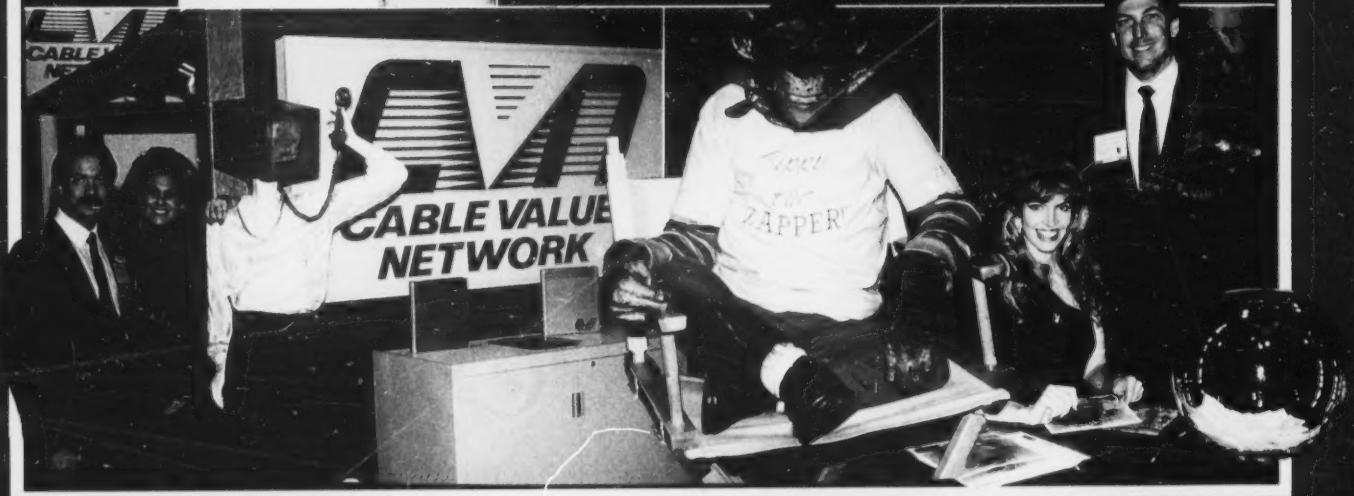
TED TURNER WANTS ANOTHER CABLE NETWORK

FCC DEFENDS A/B SWITCH RULE

VIACOM UNDER TAKEOVER FIRE AGAIN

MMDS ROUNDUP FINDS MEDIUM GAINING STRENGTH

THE WESTERN SHOW: ACTION ON ALL FRONTS



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FRONTLINE

Turner network plans 12
TBS Chairman Ted Turner, in an exclusive interview, says he is seeking to acquire another cable network to create a cable-exclusive venue for the MGM library and other programming.

Exclusive franchising struck down 12
Citing the *Preferred* Decision, a U.S. District Court has ruled the exclusive franchising process of the city of Palo Alto was unconstitutional.

Slow start for MLPs 13
Master limited partnerships are off to a slow start in cable, but analysts expect the financing instrument to play a role in industry fortunes over the long haul.

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Dispute over pay pricing 18
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Viacom buyout hits snag 20
Sumner Redstone's target of 49.9 percent share in Viacom International could present a major obstacle in a $3-billion management-led buyout of the company.

PROGRAMMING

Playboy strategies 24
Despite flagging fortunes, the Playboy Channel is strengthening its commitment to its cable project with development of new programming and enhanced marketing. The key issue is, is there a middle ground in erotic programming that serves the demand in the marketplace and keeps cable free of legal entanglements?

ADVERTISING

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Western Show panelists saw co[illegible] battles with cities over franchise transfers as one of the key points of litigat[illegible]or the coming year.

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A panel of experts at the Western Show discussed the ways cable operators will be employing financial instruments under the new tax law.

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OnTRAQ finds only 26 percent of survey respondents feel cable programming has improved over the past year.

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ON THE COVER

The California Cable Television Association's Western Show produced a heavy flow of major announcements as well as significant insight into industry thinking on key issues. Coverage begins in Front Line. Photos by Candace Drake.

Film product comparison-January

Film	Pay Networks					Distributor
Act of Vengeance	HBO*					Telepictures
After Hours					MAX	Warner Bros.
After the Fall of New York			TMC			Almi
Agatha			TMC			Warner Bros.
Alamo Bay					MAX	Tri-Star
Alice's Adventures In Wonderland		ST				Muller Media
All Fall Down			TMC			MGM/UA
Almost You	HBO		(TMC)			20th Century-Fox
American Flyers	(HBO)	(ST)	(TMC)	(HTN)	MAX	Warner Bros.
Animals Are Beautiful People			TMC	(HTN)	MAX	Warner Bros.
Annihilaters, The					MAX	New World
Antarctica				HTN*	(MAX)	20th Century-Fox
Any Number Can Play		ST	(TMC)			MGM/UA
Apology	HBO*					Peregrine
Assault on Precinct 13	HBO					Goldwyn
As Summers Die	HBO*					Telepictures
Auntie Mame	(HBO)		TMC*			Warner Bros.
Aviator, The	(HBO)			HTN*	MAX	MGM/UA
Badlanders, The		ST				MGM/UA
Best Revenge					MAX	Lorimar
Bette Midler Divine Madness	HBO					Warner Bros.
Beyond The Poseidon Adventure		ST	(TMC)		MAX*	Warner Bros.
Bite the Bullet	HBO					Columbia
Black Moon Rising	HBO					New World
Blood Alley			TMC*		MAX	Warner Bros.
Blood Ties		ST*				Showtime
Blow Out		(ST)	TMC		(MAX)	Orion
BMX Bandits			TMC			Transcon
Breakfast Club, The	HBO*	ST*	(TMC)		(MAX)	Universal
Breakthrough (1950)		ST				Warner Bros.
Brief Encounter		ST	(TMC)			New Century
Camelot			(TMC)	HTN*		Warner Bros.
Can't Stop the Music					MAX	AFD
Can You Hear The Laughter: The Story of Freddie Prinze			TMC			Viacom
Captain Horatio Hornblower			TMC*		(MAX)	Warner Bros.
Careful, He Might Hear You			(TMC)	HTN*		20th Century-Fox
Carson City					MAX	Warner Bros.
Cat's Eye	(HBO)			HTN*		Warner Bros.
Cattle King		ST				MGM/UA
Chorus Line, A: The Movie	HBO					Columbia
City Heat	(HBO)	ST	(TMC)	(HTN)	(MAX)	Warner Bros.
City Lights	(HBO)			HTN*		20th Century-Fox
Clan of the Cave Bear	HBO					Warner Bros.
Class of '44			TMC		MAX	Warner Bros.
Clue		ST*				Paramount
Coca-Cola Kid, The	(HBO)		(TMC)		MAX*	Film Gallery
Code of Silence	(HBO)				MAX	Orion
Comfort & Joy	(HBO)			HTN*		Universal
Commando	(HBO)	(ST)	(TMC)		MAX*	20th Century-Fox
Compromising Positions		(ST)	TMC			Paramount
Continental Divide			(TMC)	HTN*	(MAX)	Universal
Creepshow	HBO*				(MAX)	Warner Bros.
Crisis		ST	(TMC)			MGM/UA
Critters	HBO					New Line Cinema
Crossover					MAX	Simcom
Daffy Duck's Movie	(HBO)	(ST)			MAX	Warner Bros.
Dance With A Stranger			(TMC)		MAX	Goldwyn
D A R Y L		(ST)	TMC			Paramount
Death Wish III		(ST)	TMC			Cannon
Diane					MAX	MGM/UA
Dune	(HBO)	ST	(TMC)		(MAX)	Universal
Eddie & the Cruisers	HBO	ST			(MAX)	Embassy
Elephant Man, The		ST*			(MAX)	Paramount
Empire Strikes Back, The	(HBO)	(ST)	(TMC)	HTN*	(MAX)	20th Century-Fox
Endless Love		ST	TMC*			King Features
Excalibur		(ST)	TMC*		(MAX)	Warner Bros.
Explorers			TMC*			Paramount
Falcon & The Snowman, The	HBO				(MAX)	Orion

Film	Pay Networks					Distributor
Final Justice	HBO				(MAX)	Simcom
Finian's Rainbow	(HBO)		(TMC)	HTN		Warner Bros.
Firstborn		ST*	TMC			Paramount
Flamingo Kid, The	HBO*	(ST)	(TMC)	(HTN)	(MAX)	Universal
Flesh & Blood	HBO				(MAX)	Orion
Fleshburn					MAX	Crown
Frank & I					MAX*	Playboy
Fraternity Vacation	(HBO)				MAX	New World
French Lesson					MAX	Warner Bros.
Friday the 13th: A New Beginning			TMC			Paramount
Garbo Talks	HBO	(ST)	TMC*			MGM/UA
Gentleman Tramp, The				HTN*		20th Century-Fox
Gimme An 'F'	HBO*		(TMC)			20th Century-Fox
Glitterdome, The	HBO					Telepictures
Gold of Naples			TMC			Embassy
Gold Rush, The					MAX	20th Century-Fox
Good Guys & the Bad Guys, The				HTN	(MAX)	Warner
Gotcha!			TMC*	(HTN)	MAX*	Universal
Great Dictator, The			(TMC)	HTN*		20th Century-Fox
Great Muppet Caper, The	(HBO)				MAX	ITC
Gremlins	HBO*	(ST)	(TMC)		(MAX)	Warner Bros.
Hair			TMC			MGM/UA
Happy Hooker, The		ST				Cannon
Hard Choices			TMC		MAX	Lorimar
Harvey Middleman, Fireman					MAX	Columbia
Heaven's Gate			TMC			MGM/UA
Head Office					MAX	Silver Screen
Hollywood Hot Tubs		ST*				Seymour Borde
Hollywood Knights, The	HBO				(MAX)	Columbia
Home From the Hill	HBO		TMC			MGM/UA
Hotel				HTN		Warner Bros.
Hundra			(TMC)		MAX	Goldfarb
I Am A Camera			TMC			New Century
Ice Pirates					MAX	MGM/UA
I Confess			TMC		(MAX)	Warner Bros.
Innocents Abroad			TMC	(HTN)		Transcon
Intermezzo				HTN*		ABC
Invasion USA		(ST)	TMC			Cannon
Iron Eagle	HBO					Tri-Star
Jazz Singer, The			TMC			Warner Bros.
J. Edgar Hoover Power and Secrecy		ST				Showtime
Jewel of the Nile, The	HBO	ST	TMC		MAX	20th Century-Fox
Julius Caesar		ST				MGM/UA
Just One of the Guys	(HBO)				MAX	Columbia
Kidco				HTN	(MAX)	20th Century-Fox
King David		(ST)	TMC			Paramount
King In New York, A				HTN*		20th Century-Fox
King of the Jungle				HTN*		Universal
Ladyhawke			TMC*		(MAX)	Warner Bros.
Lady Jane		ST				Paramount
Last Time I Saw Paris, The			(TMC)		MAX	MGM/UA
Last Tycoon, The			TMC*			Paramount
Little Drummer Girl, The	(HBO)	ST	TMC*		(MAX)	Warner Bros.
Longshot, The	HBO	ST	TMC			Orion
Lost Horizon					MAX	Columbia
Lullaby of Broadway		ST				Warner Bros.
M A D D	HBO*					Universal
Mad Max Beyond Thunderdome			TMC		(MAX)	Warner Bros.
Man Hunt					MAX	Goldwyn
Man In the Wilderness	(HBO)			HTN*		Warner Bros.
Man With One Red Shoe, The		(ST)	TMC		(MAX)	20th Century-Fox
Marie: A True Story		ST*				TBS
Mask	(HBO)	ST	(TMC)	(HTN)	(MAX)	Universal
Mass Appeal	(HBO)	ST	(TMC)			Universal
McCabe & Mrs. Miller			(TMC)		MAX	Warner Bros.
The Mean Season	HBO					Orion
Mean Streets					MAX	Warner Bros.
Melody In Love					MAX*	Playboy
Member of the Wedding, The					MAX	Columbia
Mischief	HBO	ST	(TMC)			20th Century-Fox
Missing In Action II	(HBO)	ST	(TMC)		(MAX)	Cannon
Modern Times				HTN		20th Century-Fox
Molly and Me					MAX	20th Century-Fox

Film	Pay Networks					Distributor
Mommie Dearest	HBO	ST				Paramount
Mrs. Soffel				HTN*	MAX	MGM/UA
Murphy's Romance	HBO					Columbia
Murrow	HBO					Titus Productions
My Brilliant Career			TMC*			Worldvision
National Lampoon's European Vacation	HBO	(ST)	(TMC)		(MAX)	Warner Bros.
New Kids, The	HBO				(MAX)	Columbia
Nighthawks			TMC*		(MAX)	Universal
Nightmare on Elm Street	HBO		(TMC)		(MAX)	New Line Cinema
Nightmare on Elm Street Part II	HBO					New Line Cinema
Night Patrol	HBO*					New World
Nine Deaths of the Ninja			TMC			Crown
Notorious				HTN*		ABC
Octagon			TMC			Viacom
Odd Man Out			TMC			New Century
O'Hara's Wife	HBO					O'Hara
Oh, God! You Devil	(HBO)	(ST)	TMC	(HTN)	(MAX)	Warner Bros.
Old Maid, The					MAX	MGM/UA
Oliver Twist		(ST)	TMC			New Century
Once Bitten	HBO*		(TMC)			Goldwyn
One Night Only		ST			(MAX)	Film Gallery
One Potato, Two Potato			TMC*			Viacom
On the Right Track					MAX	20th Century-Fox
On the Town		ST	(TMC)			MGM/UA
Operation Pacific			TMC*		MAX	Warner Bros.
Outlaw Blues					MAX	Warner Bros.
Out of the Blue				HTN		Fox/Lorber
Pale Rider	HBO*	ST	TMC		(MAX)	Warner Bros.
Paradine Case, The				HTN		ABC
Park Is Mine, The	HBO					Astral Productions
Passage to India, A	(HBO)			HTN*		HBO
Pee Wee's Big Adventure	(HBO)	(ST)	(TMC)		MAX	Warner Bros.
Personal Best					MAX	Warner Bros.
Philadelphia Experiment, The	HBO			(HTN)	(MAX)	New World
Piano for Mrs. Cimino, A	(HBO)	ST				Viacom
Pirates of Tortuga			TMC			20th Century-Fox
Porky's Revenge	HBO*	(ST)	TMC			20th Century-Fox
Portrait of Jennie, A				HTN		ABC
Private Resort	HBO*					Tri-Star
Protector, The	(HBO)				MAX	Warner Bros.
Re-Animator	HBO					Vestron
Red Badge of Courage, The			TMC			MGM/UA
Reds	HBO	ST				Paramount
Richard Pryor... Here and Now					MAX	Columbia
Right of Way	HBO					Karpf
Runaway Train		ST				Cannon
St. Elmo's Fire	HBO*				(MAX)	Columbia
Savage Harvest					MAX	Savage Harvest
Scarred		ST				Seymour Borde
Sea Gull, The				HTN*		Warner Bros.
Sesame Street Presents: Follow That Bird	HBO*	(ST)	(TMC)			Warner Bros.
Sex Through A Window					MAX	Ted Mann
Shaker Run	HBO*					Goldwyn
She			TMC		(MAX)	Muller Media
She Wore A Yellow Ribbon					MAX	RKO
She's Working Her Way Through College			TMC		(MAX)	Warner Bros.
Shogun Ninja		ST				Muller Media
Silverado	(HBO)				MAX*	Columbia
Silver City	HBO			HTN		Goldwyn
Sinful Davey			TMC*			MGM/UA
Slugger's Wife, The					MAX	Columbia
Sno-Line	HBO					Seymour Borde
Soldier of Orange			TMC*			Goldwyn
Sombrero			TMC			MGM/UA
SPFX: The Making of Empire				HTN*		20th Century-Fox
Spiral Staircase, The				HTN*	MAX	ABC
Split, The					MAX	MGM/UA
Stalking Moon, The			(TMC)	HTN*		Warner Bros.
Stand Alone	(HBO)				MAX	New World
Straight Time			TMC*			Warner Bros.
Stranger In The House					MAX	Warner Bros.
Street Hero					MAX	Fox/Lorber
Stripes	HBO*					Columbia
Summer of '42			TMC		MAX	Warner Bros.
Summer Rental		ST	(TMC)			Paramount
Superman		(ST)	TMC*		(MAX)	Warner Bros.
Sylvester					MAX	Columbia
Talk to Me	HBO			HTN*		Atlantic
Teachers	(HBO)	(ST)	TMC*		MAX	MGM/UA
Tender Mercies	HBO					Thorn-EMI
Test of Love, A				HTN*	(MAX)	Universal
That Forsythe Woman		(ST)			MAX	MGM/UA
That's Dancing				HTN*	MAX*	MGM/UA
That Was Then.... This Is Now		ST*				Paramount
Thief					MAX	MGM/UA
Thief of Hearts		ST*	TMC			Paramount
This Is Elvis	HBO		TMC			Warner Bros.
To Find My Son	HBO					Columbia
Tomboy					MAX	Crown
Too Scared to Scream	HBO		(TMC)		(MAX)	The Movie Store
Treasure Island			TMC			Warner Bros.
Troll	HBO					Vestron
Twice In A Lifetime		ST*				Roberts
Tuff Turf					MAX	New World
Turk 182!	(HBO)	(ST)	(TMC)		MAX*	20th Century-Fox
Untamed				HTN		Universal
Urgh! A Music War			TMC			Lorimar
View to a Kill, A	HBO			HTN*	(MAX)	MGM/UA
Vision Quest			TMC*		(MAX)	Warner Bros.
Warrior of the Lost World			TMC*			Muller Media
Watership Down	HBO					Nepenthe
Weird Science	HBO*	(ST)	(TMC)	HTN*	(MAX)	Universal
Where Do We Go From Here					MAX	20th Century-Fox
Where the Boys Are (1960)		ST	(TMC)		(MAX)	MGM/UA
Wildrose	HBO			(HTN)		Troma
Winter Flight			TMC*			Film Gallery
Woman of Paris, A				HTN		Universal
Year of the Dragon		(ST)	TMC			TBS
Young Lady Chatterley					MAX	Film Gallery
Young Lady Chatterley II		ST			MAX	Blum Group
Young Sherlock Holmes		ST				Paramount

Cable Network Legend:
HBO-Home Box Office
ST-Showtime
TMC-The Movie Channel
HTN-Home Box Office
MAX-Cinemax

Networks in parentheses indicate carriage in August, September, October, November and/or December.

An asterisk indicates the film is a carry-over from August, September, October, November and/or December.

In total, 256 films appear on the January schedules of Home Box Office, Showtime, The Movie Channel, Home Theater Network and Cinemax. Of those titles, during the last six months, seven have played on all five services, 13 have played on four of the five services, 24 have played on three, and 81 have played on two of the five services. One hundred and thirty-one titles on the January schedules of these five services were unduplicated in the last six months.

The motion picture distributor with the most titles on pay TV in January is Warner Bros. with 51, followed by MGM/UA with 28, 20th Century-Fox with 26, and Columbia and Paramount with 16 each.

Titles subject to change.

Cable services subscriber count

Satellite-fed national services

Basic services	Affiliates	Subscribers
ACTS Satellite Network	236	4,600,000
Alternate View Network	206	2,500,000
Arts & Entertainment (A&E)	2,200	19,700,000
Black Entertainment Television (BET)	717	11,400,000
Cable News Network (CNN)	9,386	33,100,000
Cable Value Network	500	10,000,000
C-SPAN	2,300	25,250,000
C-SPAN II	286	7,600,000
CBN Cable Network	7,318	32,338,000
CNN	7,215	35,834,000
Consumer Discount Network	NA	1,000,000
Country Music Television	438	6,200,000
The Discovery Channel	1,034	10,100,000
ESPN	14,260	38,500,000
Eternal Word Television Network (EWTN)	330	5,400,000
Financial News Network (FNN)	1,434	23,300,000
Headline News	2,222	29,760,000
Hit Video USA	41	1,700,000
Home Shopping Network	517	3,774,977
Innovations In Living (HSN2)	176	5,322,296
International Television Network	5	622,000
The Learning Channel	800	7,200,000
Liberty Broadcasting Network	90	1,300,000
Lifetime	3,050	27,100,000
Music Television (MTV)	4,269	30,700,000
The Nashville Network	3,770	26,600,000
National Jewish Television (NJTV)	247	5,569,000
Nickelodeon	4,501	29,000,000
The Nostalgia Channel	350	300,000
PTL The Inspirational Network	1,300	13,000,000
Score	1,020	19,000,000
Rock Christian Network	9	886,000
Silent Network	206	6,800,000
SIN Television Network	383	33,673,000
TelShop	650	10,200,000
Tempo Television	640	12,500,000
Trinity Broadcasting Network	444	6,304,000
USA Network	6,500	33,000,000
Video Hits One	1,189	14,100,000
Video Shopping Mall	NA	NA
The Weather Channel	2,200	22,000,000
WGN-TV	8,825	21,376,000
WOR-TV	1,999	8,669,134
WPIX-TV	239	2,412,000
WTBS-TV	8,373	37,582,000
Pay services		
American Movie Classics	270	1,000,000
Bravo	251	350,000
Cinemax	3,300	3,700,000
The Disney Channel	2,958	2,550,000
GalaVision	234	183,000
Home Box Office (HBO)	6,900	14,600,000
Home Theater Network (HTN)	350	300,000
The Movie Channel	3,250	3,250,000
The Playboy Channel	580	732,000
Showtime	3,200	5,400,000
Audio services		
Cable Radio Network	24	1,500,000
JazzAmerica	NA	NA
KKGO Super Jazz	11	98,521
Moody Bible Institute	70	923,102
Satellite Radio Network	251	740,000
Seeburg Lifestyle	151	2,465,000
Seeburg Lifestyle Adult Contemporary	25	536,000
Tempo Sound	300	1,000,000
WFMT Chicago	161	1,259,000
Text services		
AP News Cable	275	3,600,000
AP News Plus	60	1,500,000
Cable SportsTracker	25	2,051,000
DBC/MarketWatch	50	NA
Electronic Program Guide (EPG)	282	5,581,000
EPG Jr.	71	69,873
Genesis Cable Storytime	26	1,033,000
Reuters News View	325	3,250,000
TV Decisions	145	5,450,000
UPI Data Cable	450	4,000,000
X*Press	60	1,000

Non-satellite-fed national services

Bicycled services	Affiliates	Subscribers
Cable Auto Showcase	5	400,000
Fuji Network	5	11,044
Nippon Golden Network	5	11,044
Vector Consumer News	12	325,000
Vector Consumer Shopping Guide	15	407,000

Regional entertainment services

Basic services	Affiliates	Subscribers
Atlanta Interfaith	7	150,000
Bay Area Religious Channel (BARC)	4	113,000
Buffalo Sabres Hockey	9	400,000
Cable TV Network of New Jersey	37	1,185,000
The Ecumenical Channel	7	148,000
KTVT	122	1,877,000
Life Newsvision	24	36,000
Madison Square Garden	77	1,900,000
Meadows Racing Network	14	446,000
MetroChannel	1	118,00
Prime Ticket	199	1,500,000
SportsVision (Chicago)	37	520,000
Texas Cable Network	15	646,000
Pay services		
Dodgervision	44	935,000
Home Sports Entertainment—Houston/Dallas	115	200,000
Home Team Sports	76	334,000
New England Sports Network	145	166,421
PRISM-Philadelphia	90	370,000
Pro-Am Sports	110	112,000
SportsChannel (New England)	110	228,900
SportsChannel (New York)	66	562,000
Z Channel	20	93,575

Announced services

Satellite-fed services	Expected launch
American Catalog Shopper's Network	3/87
Apollo Entertainment Television	TBA
The Book Channel	TBA
Comedy Television	1st Quarter 1987
Crazy Eddie World Of Home Entertainment Shopping Network	1st Quarter 1987
Discovery Computer Network	1987
Discovery Financial Network	1987
El Canal Musical	TBA
Ethnic Radio Networks	1st Quarter 1987
EventTelevision	1st Quarter 1987
International Business Network	2nd Quarter 1987
International Cablecasting's Cable Radio Network	3rd Quarter 1987
Magicable	TBA
Movie Time	1/87
PreView Channel	4/87
The Preview Network	2/87
QVC Network	1/87
Sky Merchant	1/87
The Sweepstakes Channel	1/87
The Travel Channel	2/87
Tunnelvision	10/87
Video Shoppng Center (Telstar)	1/87
World Travel Network	1st Quarter 1987

Note: Figures for affiliate and subscriber counts will be updated quarterly unless information is provided by the service. Send information to: CableVision, Attention Cable Stats, P.O. Box 5208-T.A., Denver, CO 80217.
NA denotes not available.
TBA denotes to be announced.